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FM AMEMBASSY TEL AVIV  
TO RUEHC/SECSTATE WASHDC PRIORITY 8373  
RHEHAAA/WHITE HOUSE WASHDC PRIORITY  
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RUEKJCS/SECDEF WASHDC PRIORITY  
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY  
RUEADWD/DA WASHDC PRIORITY  
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RHEFDIA/DIA WASHINGTON DC PRIORITY  
RUEKJCS/JOINT STAFF WASHDC PRIORITY  
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 4372  
RUEHAS/AMEMBASSY ALGIERS PRIORITY 0978  
RUEHAM/AMEMBASSY AMMAN PRIORITY 4724  
RUEHAK/AMEMBASSY ANKARA PRIORITY 5161  
RUEHLB/AMEMBASSY BEIRUT PRIORITY 4373  
RUEHEG/AMEMBASSY CAIRO PRIORITY 2731  
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 5133  
RUEHLO/AMEMBASSY LONDON PRIORITY 1994  
RUEHFR/AMEMBASSY PARIS PRIORITY 0216  
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RUEHRO/AMEMBASSY ROME PRIORITY 6454  
RUEHRH/AMEMBASSY RIYADH PRIORITY 1378  
RUEHTU/AMEMBASSY TUNIS PRIORITY 5476  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 7437  
RUEHJI/AMCONSUL JEDDAH PRIORITY 0304  
RUEHJM/AMCONSUL JERUSALEM PRIORITY 0417  
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY  
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY  
RHMFIUU/COMSIXTHFLT PRIORITY

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STATE FOR NEA, NEA/IPA, NEA/PPD

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NSC FOR NEA STAFF

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HQ USAF FOR X0XX  
DA WASHDC FOR SASA  
JOINT STAFF WASHDC FOR PA  
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR  
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD  
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD  
LONDON ALSO FOR HKANONA AND POL  
PARIS ALSO FOR POL  
ROME FOR MFO

SIPDIS  
E.O. 12958: N/A  
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

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SUBJECTS COVERED IN THIS REPORT:  
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Mideast

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Key stories in the media:  
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Kadima leadership candidate Shaul Mofaz was quoted as saying in an interview with Maariv that if he were elected PM, he would resume targeted assassinations against Hamas. The Jerusalem Post reported that FM Tzipi wrote in a letter to 70,000 Kadima members that she will work to sign a final-status agreement with the PA if she wins

next Wednesday's Kadima primary. In a parallel interview to Mofaz's with Maariv, Livni said that all options are open regarding a response to Iran. Makor Rishon-Hatzofe quoted chief Palestinian negotiator Ahmed Qurei as saying that Livni's stances are good for the Palestinians but that it would be better for the Palestinians' sake not to talk about them. Makor Rishon-Hatzofe also reported that a "senior Palestinian official" told the London-based Al-Hayat that the Palestinians are satisfied with "new ideas" presented by Secretary of State Condoleezza Rice.

Israel Radio quoted Syrian FM Walid Muallem as saying in an interview with Aljazeera-TV that Damascus has agreed with Paris that France will sponsor the Israeli-Syrian talks, together with Turkey and Russia. Muallem was quoted as saying that the U.S. is not yet prepared to place the negotiations under its auspices.

Ha'aretz reported that Russian-born businessman Arkady Gaidamak is expected to give up on plans to run for mayor of Jerusalem after former Shas chairman Aryeh Deri announced on Tuesday he is running for the same post. Even though Gaidamak has not made a final decision, his advisers are quoted as saying that Deri's candidacy would seriously harm Gaidamak's chances in both the ultra-Orthodox and non-religious communities.

Leading media reported that the OECD's annual education report ranked Israel near the bottom of 57 "Westernized" countries. The Education Minister suggested that the latest curriculum reform package, "New Horizon," would lead to an improvement.

Ha'aretz and other media reported that Israel's security agencies warned former officers of the IDF and other agencies not to travel to Muslim states because Hizbullah might try to kidnap them in order to avenge the death of Imad Mughniyah. Reserve IDF officers who do business in these countries have also received such warnings. Yediot reported that sources in the GOI's counterterrorism unit are weighing a prohibition on Israelis crossing the border to Sinai.

The Jerusalem Post reported that new immigrants and returning Israelis will no longer have to declare all their earnings and assets abroad, following the Knesset's approval on Tuesday of legislation repealing a 2003 tax regulation. The move could have far reaching implications for increasing immigration from Western countries and enticing former citizens to return to Israel. The Jerusalem Post quoted former deputy DM Ephraim Sneh as saying yesterday at a national security conference in Tel Aviv that Iran's success in obtaining a nuclear capability will deter Jews from immigrating to Israel, cause many Israelis to leave, and will be the end of the "Zionist dream. The Jerusalem Post reported that at the conference, former Mossad director Ephraim Halevy slammed Israeli political leaders for calling Iran's nuclear threat "existential."

The Jerusalem Post and Israel Radio reported that today PM Ehud Olmert is scheduled to meet with DM Ehud Barak and FM Livni for what have been characterized as "security discussions" that are expected to focus on Iran and the prospect that it will soon open its first nuclear facility. The Jerusalem Post quoted sources in the Prime Minister's Office as saying that it would be a mistake to read too much into the meeting. The Jerusalem Post also reported on the arrival of U.S. General James Jones.

Ha'aretz reported that as part of a deal to release Gilad Shalit, Israel is expected to free the 40 Hamas Palestinian parliament members held in Israeli prisons,. However, if Israel takes this step before the end of 2009, it is expected to bring Mahmoud Abbas's term as Palestinian president to an early de jure end, though not necessarily in practice. The legislators' release means that Hamas will once again have a majority (74 out of 132) in the Palestinian Legislative Council. Makor Rishon-Hatzofe quoted Arab sources as saying that Abbas is interested in extending his term through 2010.

The Jerusalem Post cited a recent Defense Ministry report according to which jailed Fatah/Tanzim leader Marwan Barghouti is unlikely to succeed in uniting the split Palestinian factions if he is released in a prisoner swap for Shalit.

Ha'aretz quoted President Shimon Peres as saying yesterday at an Iftar dinner that the difference between the Israeli and Palestinian negotiating positions on the final borders of a Palestinian state is less than five percent. The Jerusalem Post quoted Abdullah Nimr

Darwish, the leader of the southern branch of Israel's Islamic Movement, as saying at the dinner that the "Palestinians have nothing left to offer Israel." Peres was also quoted as saying that Israel must not limit the birthrate of its Arab or Jewish citizens. Maariv reported that yesterday heads of local councils in northern Israel warned that the Jewish majority in the Galilee would be lost in 15 years.

The Jerusalem Post reported that settlers in the West Bank regions of Samaria (north) and Benjamin (north of Jerusalem) are making preparations to form new citizens' committees to prevent any move to evacuate Jews.

Pensioners Affairs Minister Rafi Eitan was quoted as saying yesterday in an interview with Ha'aretz that if Israeli officers are kidnapped, Israel should respond in kind to fight for the country's existence. He said that his threat to kidnap Iranian President Mahmoud Ahmadinejad was not a slip of the tongue.

Ha'aretz's web site cited a Reuters report that Iran demanded yesterday a "resolute and clear response" from the United Nations to what it called dangerous threats against it by Israel, and said Tehran would not hesitate to respond to any attack. A letter from Iran's UN Ambassador Mohammad Khazai-Torshizi to UN Secretary-General Ban Ki-moon described comments by two Israeli ministers as "vicious threats ... in blatant violation of the most fundamental principles of international law." The Jerusalem Post reported that, in response to a report on a web site that stated that Croatia has sold an advanced missile system to Iran, Israeli intelligence said it could not confirm the story but noted that Zagreb did obtain S-300 anti-aircraft weapons after the fall of the Soviet Union.

Ha'aretz reported that a leaked Foreign Ministry memo urges "bureaucrats" in Israeli embassies to report on any "inappropriate behavior" by diplomats abroad.

In The Jerusalem Post, Lenny Ben David, a former Israeli DCM in Washington, says that new evidence reveals the "incredible aid that the late U.S. President Lyndon B. Johnson lent the Jews."

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Mideast:  
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Summary:  
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The independent, left-leaning Ha'aretz editorialized: "Not only will a referendum not legitimize a possible peace agreement: It might damage the little legitimacy the political system still has."

Block Quotes:  
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"A Bad Law for Democracy"

The independent, left-leaning Ha'aretz editorialized (9/10): "A referendum is not part of the political culture in Israel, and never has been. The public was not asked its opinion before Israel annexed Jerusalem or the Golan Heights. It was not asked what it thought about an exemption from the draft for yeshiva students, or about the New Horizon education reform. Therefore, it may be said with certainty that those promoting the referendum law are not doing so out of faith in direct democracy. Their goal is to cause the peace process to fail. Among the groups supporting the referendum are those on the right who are unwilling to accept any democratic decision on giving up territory, not even the authority of the people. How ironic: Even the ultra-Orthodox parties, which are unwilling to allow their public to elect its representatives, are willing to give the people the authority to decide on withdrawal and peace. Those who support taking away authority from the Knesset are the same groups that cry out every time the High Court impinges on the parliament's authority. Not only will a referendum not legitimize a possible peace agreement: It might damage the little legitimacy the political system still has."

CUNNINGHAM